Deptt. of Food & Public Distribution was constituted which had finalized their views on the various recommendations in January, 2002. The Board of Directors of the FCI also examined the report and offered their recommendations in March, 2002. Action has been taken in the light of examination of ASCI recommendations by the Task Force, the views of the board of Directors of the FCI as well as in the light of the recommendations of the High Level Committee. Many of the practical recommendations of the ASCI Report such as preventive measures to reduce storage losses, reduction in establishment cost of FCI, use of information technology in FCI operations etc are in the process of implementation. Similarly, many of the important recommendations of the High Level Committee Report such as encouragement of Decentralised procurement, improving quality of foodgrains and disposal of old stocks, liquidation of excess accumulation of foodgrain stocks etc. have also been effectively acted upon by the Government.

Freedom in trading of foodgrains

215. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government propose to remove the grip of the States on trading of foodgrains and give farmers freedom to market their products with provision for a safety net;

(b) if so, the details thereof; and

(c) the action proposed to establish a chain of rural and periurban godowns with warehousing foodgrain banking facilities to help farmers to store and sell through the warehouses?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a)and (b) Government has removed all controls on foodgrains, *viz.* licensing, stock limits and restrictions on inter-State movement by issuing a Notification on 15.2.2002 with an amendment dated 16.6.2003, according to which any dealer can freely buy, stock, sell, transport, distribution, dispose, acquire, use or consume and quantity of wheat, paddy/rice, coarsegrains, sugar, edible oilseeds and oils, pulses,

gur, wheat products and hydrogenated vegetable oil or vanaspati and shall not require any licence or permit therefor.

This Notification has ensured free trade and movement of foodgrains and best prices to farmers for their produce.

(c) Government is implementing a Central Sector Scheme of Construction of Rural Godowns under which subsidy is provided on capital cost of the storage project to persons belonging to private and co-operative sectors. The scheme has helped the farmers to store their produce near the field, obtain pledge loan and marketing credit from the banks, thereby avoiding distress sale at the item of harvest. The scheme is being implemented since March, 2001 and so far 6974 storage projects have been sanctioned by banks to create 115.1 lakh tonnes of rural storage capacity in the country.

Outstanding amount for sugarcane growers

†216 SHRI HARISH RAWAT: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the States were provided with special amount for the disbursement of outstanding amount to be paid by sugar mills to sugarcane growers;

(b) if so, the State-wise details of the amount provided for this purpose alongwith the conditions stipulated in this regard;

(c) whether the sugarcane growers have been provided with their outstanding amount by making the said amount available to the sugar mills for the disbursement to the sugarcane growers by all the State Government as per consultations including the State of Uttaranchal; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) to (c) The Central Government (Ministry of Agriculture) had allocated Rs. 678.06 crores for one time assistance to the Governments of Uttar Pradesh, Uttaranchal, Bihar, Punjab and Haryana to help clear the sugarcane price arrears in respect of 2002-03

†Original notice of the question was received in Hindi.